

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 015478
ORIGIN OPIC-06

INFO OCT-01 ARA-10 ISO-00 EB-08 AID-05 CIAE-00 COME-00
FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00 XMB-02
SP-02 LAB-04 SIL-01 OMB-01 NSC-05 SS-15 STR-06
CEA-01 /083 R

DRAFTED BY OPIC/GC;AKEESEE
APPROVED BY EB/IFD/ OIA:R D KAUZLARICH
EB/IFD/OIA;D GRANT
ARA/CEN:D FIGGINS

-----070162 192357Z /75

P 192254Z JAN 78
FM SECSTATE WASHDC
TO AMEMBASSY TEGUCIGALPA PRIORITY

LIMITED OFFICIAL USE STATE 015478

E.O. 11652: N/A

TAGS: EINV

SUBJECT: SAN PEDRO FROZEN FOODS

REF: (A) STATE 162096 (1977); (B) TEGUCIGALPA 3693 (1977)

1. OPIC APPRECIATES INFORMATION RELAYED REF (B). OPIC INTEREST IN FIRM DERIVES FROM FACT THAT IN AUGUST 1975 OPIC LOANED USD 1.5 MILLION TO TAYLOR Y ASOCIADOS, S.A., A PANAMA COMPANY, TO FINANCE ITS PROCUREMENT OF FOOD PROCESSING EQUIPMENT FOR, AND ITS CONSTRUCTION OF, A VEGETABLE PROCESSING PLANT IN SAN JOSE, COSTA RICA.

2. PLANT WAS BUILT BY FRIGORIFICOS TECHNICOS, S.A., A SUBSIDIARY OF TAYLOR, INCORPORATED IN COSTA RICA. OPIC LOAN WAS GUARANTEED BY FRIGORIFICOS AND COLLATERALIZED BY THE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 015478

VEGETABLE PLANT, THE LAND ON WHICH IT WAS BUILT, AND CERTAIN EQUIPMENT TO BE LOCATED THEREIN, ALL THREE OF WHICH ASSETS WERE OWNED BY FRIGITEC. AT LOAN CLOSING FRIGITEC OFFICER CERTIFIED IN WRITING TO OPIC THAT AMONG THE ITEMS OF COLLATERAL EQUIPMENT ON-SITE REPEAT ON-SITE AT THE FRIGITEC PLANT WERE PINEAPPLE PROCESSING AND FILTERING EQUIPMENT WORTH APPROXIMATELY USD 95,000.

3. IN JUNE 1976 TAYLOR DEFAULTED ON THE OPIC LOAN.
UPON OPIC INSPECTION OF THE ON-SITE COLLATERAL AND THE

TAYLOR-FRIGITEC BOOKS, IT WAS LEARNED THAT THE PINEAPPLE
AND FILTERING EQUIPMENT HAD NEVER BEEN DELIVERED TO THE
FRIGITEC PLANT BUT HAD IN FACT BEEN INVOICED FOR SHIPMENT
TO SAN PEDRO FROZEN FOODS SEVERAL MONTHS BEFORE THE LOAN
DISBURSEMENT AND COLLATERAL CERTIFICATION. IT WAS THEN, IN
JUNE 1976, VERBALLY REPORTED BY TAYLOR OFFICERS THAT THIS
EQUIPMENT HAD BEEN QUOTE LEASED UNQUOTE TO SAN PEDRO; THE
TAYLOR BOOKS, HOWEVER, SUBSEQUENTLY DISCLOSED A PROMISSORY
NOTE SIGNED BY SAN PEDRO PAYABLE TO QUOTE BEARER UN-
QUOTE, IN THE AMOUNT OF USD 35,000, WITH THE LAST INSTALL-
MENT DUE IN MAY 1977.

4. OPIC SEEKS TO ASCERTAIN (A) WHETHER THIS EQUIPMENT IS
NOW PHYSICALLY LOCATED IN THE SAN PEDRO FACILITIES; (B) IF
NOT, WHETHER IT EVER WAS AND WHERE IT IS NOW; (C) WHO, IF
ANYONE, ENTERED INTO LEASE OR, AS THE CASE MAY BE, PURCHASE
AGREEMENT FOR THE EQUIPMENT ON BEHALF OF SAN PEDRO; (D)
WHICH TAYLOR OFFICER THE SAN PEDRO SIGNOR DEALT WITH; (E)
THE DATES UPON WHICH THE TRANSACTION WAS NEGOTIATED AND THEN
FINALIZED; (F) HOW MANY LEASE OR PURCHASE PAYMENTS HAVE BEEN
MADE, WHEN THEY WERE MADE AND -- AND THIS IS MOST CRITICAL--
TO WHOM.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 015478

5. POST SHOULD BE AWARE THAT DIVERSION OF THIS EQUIPMENT,
CERTIFIED TO FORM PART OF COLLATERAL FOR US GOVERNMENT LOAN,
IS REGARDED BY OPIC AND THE DEPARTMENT OF JUSTICE AS A SIG-
NIFICANT ELEMENT IN AN ON-GOING INVESTIGATION BY JUSTICE OF
PROBABLE VIOLATION OF 18 USC 371, QUOTE CONSPIRACY TO DE-
FRAUD US GOVERNMENT END QUOTE. ANY ASSISTANCE OR ADVICE
POST CAN RENDER FACILITATE OPIC'S OBTAINING THE AFORE--
MENTIONED INFORMATION WOULD BE GREATLY APPRECIATED. IF
POST DEEMS IT ADVISABLE OPIC WOULD HAVE NO OBJECTION TO
POST'S SEEKING GOOD OFFICES OF GOH IN THIS CONNECTION.

6. THANK YOU FOR YOUR ASSISTANCE IN THIS MATTER.
TO BE DECLASSIFIED FOLLOWING ONE YEAR AFTER JANUARY 17,
1978. CHRISTOPHER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FOODS
Control Number: n/a
Copy: SINGLE
Draft Date: 19 jan 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE015478
Document Source: CORE
Document Unique ID: 00
Drafter: GC;AKEESEE
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780029-0798
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780143/aaaabkjr.tel
Line Count: 109
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 0a30c7e1-c288-dd11-92da-001cc4696bcc
Office: ORIGIN OPIC
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 78 STATE 162096, 78 TEGUCIGALPA 3693
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3745433
Secure: OPEN
Status: NATIVE
Subject: SAN PEDRO FROZEN FOODS
TAGS: EINV
To: TEGUCIGALPA
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/0a30c7e1-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014